Karnataka Gazette

PUBLISHED BY AUTHORITY

(EXTRAORDINARY)

PART IV—2-C (1)

RE, FRIDAY, FEBRUARY 6, 1976
AGHA 17, SAKA ERA 1897). | No. 738

REVENUE SECRETARIAT

Notification No. RD 188 MET 71.

Bangalore, dated 5th February 1976.

G. S. R. 43.—WHEREAS the draft of the Madras Hindu Religious and Charitable Endowments (Payment of contribution) (Karnataka) Rules, 1975 was published as required by sub-section (3) of Section 100 of the Madras Hindu Religious and Charitable Endowments Act, 1951 (Madras Act XIX of 1951) in notification No G.S.R. 236 (RD 188 MET 71) dated 31st July 1975 in Part IV-2C (i) of the *Karnataka Gazette* dated 14th August 1975 inviting objections and suggestions from all persons likely to be affected on or before 1st September, 1975; And when the said Gazette was made available to the public on 14th August 1975;

AND WHEREAS no objections or suggestions have been received on the said draft;

NOW THEREFORE, in exercise of the powers conferred by Section 100 of the Madras Hindu Religious and Chari-

;able Endowments Act, 1951 (Madras Act XIX of 1951) as n force in Bellary District, the Government of Karnataka iereby makes the following rules, namely:—

RULES

1. **Title, extent and commencement:**—(1) These :ules may be called the Madras Hindu Religious and Chari-;able Endowments (Payment of Contribution) (Karnataka) Rules 1976.

(2) They shall extend to the whole of Bellary District of the State of Karnataka.

(3) They shall come into force at once.

2. (1) Every religious institution shall, from the ncome derived by it, pay to the Commissioner annually a :ontribution calculated on a percentage of its income at the rates specified below:—

Annual income of the religious Institutions	Rate of Contribution (in percent)
(i) If the annual income of Religious institution is Rs. 200 or above but does not exceed Rs. 3,000	3
(ii) If the annual income of the religious institution exceeds Rs. 3,000 but does not exceed Rs. 10,000	3½
(iii) If the annual income of the religious institution exceeds Rs. 10,000 but does not exceed Rs. 20,000	4
(iv) If the annual income of the religious institution exceeds Rs 20,000 but but does not exceed Rs. 60,000	4½
(v) If the annual income of the religious institution exceeds Rs. 60,000,	5

(2) 'Income' for the purposes of these rules means gross income *minus* the amounts specified below:—

(a) revenue paid to Government and cess paid to

(b) taxes and licence fees paid to Taluk Boards, Panchayats or Municipalities;

(c) expenditure incurred for the following purposes connected with the direct cultivation of the lands held by the Religious institution not exceeding 10 percent of the income from such property;

(i) maintenance of or repairs to irrigation works;

(ii) seed or seedlings;

(iii) Manure;

(iv) maintenance of cattle for cultivation;

(v) maintenance and repair of agricultural implements; and

(vi) Expenses for and in connection with ploughing, watering' sowing, transplantation, harvesting, thrashing and other agricultural operations.

(d) expenditure on sundry repairs to buildings not exceeding 10 percent of the annual rent derived therefrom or actual expenditure whichever is less;

(e) share of receipts from 'archanai' fees or offerings which the servants of the religious institution are entitled to receive under any order of court of law or recognised by custom or usage;

(f) cost of collection of rents not exceeding 10 percentum of the amount actually collected in cases where the religious institution employs special staff solely to attend to the work relating to collection of rents due to the religious institution; and

(g) sale proceeds of immoveable properties and rights if such proceeds are reinvested to earn income for the religious institution.

Explanation:— (1) The following items of receipts shall not be deemed to be 'income' for purposes of this rule:—

(i) advances and deposits recovered and loans taken or recovered;

(ii) deposits made on security by employees, lessees or contractors and other deposits, if any;

(iii) withdrawals from banks or of investments;

(iv) recovery of costs awarded by courts;

(v) sale proceeds of jewels, vahanams, provisions, live stock and other articles belonging to the religious institution;

(vi) donations in cash or in kind made by the donors as contributions to capital;

(vii) Ubayams or contributions received in cash or in kind for a specific service in the religious institutions and spent for such service;

(viii) actual dryage of the receipts of agricultural produce or other articles from immoveable properties or one percentum of such receipts received during the year, whichever is less.

Explanation 2:—In respect of any remunerative undertaking of a religious institution, only the net profit shall be taken as income. In respect of unremunerative undertakings of a religious institution, such as a school, college, hospital, poor house or orphanage, and other similar institutions, the grants given by Government or a local body or donations received from the public or fees collected from pupils, shall not be taken as income.

Explanation 3:—Receipt in kind other than those referred to in item (vi) and (vii) in explanation shall be deemed to accrue as income on the date of the sale thereof and shall be valued at the amount realised by such sale.

Explanation 4:—Receipts in kind from immoveable properties and consumed or utilised by the religious institution shall be valued at the market prices of the commodities.

3. The assessment of contribution payable by a religious institution shall be made for each year on the basis of the income derived by it during the previous year.

4. The trustee or the Chairman of the Board of Trustees of every religious institution shall submit to the Commissioner on or before the 31st August in each year :—

(a) statement showing the receipts and charges (cash and kind relating to the year immediately preceding under each head of account) ;

(b) a statement showing the amounts claimed as deductions under items (a) to (g) in sub-rule (2) of rule 1 and the assessable income ;

(c) a statement showing the expenditure incurred under the various items under "cost of production" and the income derived from property in the direct cultivation of the religious institution and

(d) a statement showing the special staff employed solely for work relating to collection of rents due, the designation of the different posts, the monthly pay and allowances of the members of such special staff and the amount of rents collected by them.

5. The forms in which the statements referred to in rule 3 should be submitted, shall be such as may be specified by the Commissioner.

6. If the trustee or the Chairman of the Board of Trustees of any religious institution fails to submit the statements referred to in rule 3 on or before the 31st August in each year or within such further time as may be allowed by the Commissioner or submits statements which in the opinion of the Commissioner, are not correct or complete, the Commissioner may assess the income of such institution to the best of his judgement and the amount assessed shall deemed to be the income of the religious institution for the purpose of section 76 (1) of the Madras Hindu Religious and Charitable Endowments Act, 1951.

7. If in any year, a religious institution is unable to pay the contribution due to *bona-fide* financial difficulties caused by mismanagement of the previous trustees or due to other reasons, beyond its control, the Commissioner may, for reasons to be recorded in writing, by order, waive

the collection of such amount in full or in part direct that the contribution or part of it, be collected in instalments not exceeding ten:

Provided that in cases where the annual contribution due exceeds Rs. 300 the Commissioner shall obtain the previous sanction of the State Government before passing orders under this rule.

By Order and in the name of the Governor of Karnataka,

N. V. DORASWAMY,
Under Secretary to Government,
Revenue Department.